

CHAPTER 6

DONATIONS , LOANS, AND EXCHANGES

A. BACKGROUND

1. General. This chapter contains policies and procedures pertaining to excess and surplus property donations, loans or exchanges, and also provides specific instructions to authorized donees. All references to days are calendar days unless otherwise specified.

2. Authority. Donations may be made only as authorized by law: under separate statutes, the Secretaries of Military Departments may donate certain excess material to authorized recipients; through GSA, DoD may donate surplus property to authorized donees. Donations are subordinate to Federal agency needs but take precedence over sale or A/D.

3. Release of Government liability. DoD excess, surplus, and FEPP, are issued on an "as is-where is" basis. On a case-by-case basis, the use of "hold harmless" releases may be utilized, depending on the type(s) and/or quantities of property. Certifications must be written in coordination with appropriate legal counsel.

4. Donation Restrictions

a. Categories of property not authorized for donation:

- (1) Controlled substances
- (2) Foreign purchased property
- (3) NAF property

b. Certain items require special processing for donations. The DoD 4160.21-M-1 and Chapter 4, Property Requiring Special Processing, explain these procedures.

5. Authorized Donees. Examples of eligible donees (not in any order of precedence) are as follows:

- a. Ships' sponsors and donors of property, including presentation of gifts to the Military Services.
- b. States and Territories.
- c. Public airports.
- d. Service Educational Activities (SEAs).
- e. Public agencies, eligible nonprofit tax-exempt educational and public health activities, programs for older individuals, and nonprofit providers of assistance to the homeless.
- f. Veterans' organizations, museums, historical societies, State or a foreign national historical institutions and incorporated municipalities (10 USC 2572.)
- g. Public bodies.

B. COMPLIANCE WITH NONDISCRIMINATION STATUTES

1. Title VI of the Civil Rights Act of 1964 provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance.

2. Title VI, section 606 of the Federal Property and Administrative Services Act of 1949, as amended, and Title IX of the Education Amendments of 1972 provide, that no individuals shall, on the grounds of sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity carried on or receiving Federal assistance under the Act.

3. Section 504 of the Rehabilitation Act of 1975, as amended, provides that no otherwise qualified handicapped person shall, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving financial assistance.

4. Section 303 of the Age Discrimination Act of 1973 provides that no person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance.

5. These laws apply to all donation programs in this chapter. Any complaints alleging violations of these Acts or inquiries concerning the applicability, to the programs covered in this chapter, shall be referred as follows:

- a. Public airports to the Administrator, FAA.
- b. SEA national organizations to HQ DLA, ATTN: DLA-GC and DLSC LC.
- c. SEA schools to the applicable Military Service.
- d. Public agencies and eligible nonprofit, tax-exempt activities, to the Director, Civil Rights Division, General Services Administration, Washington, DC 20406.
- e. Material donated as authorized by the authority of 10 USC 2572, 10 USC 7308, 10 USC 7541, or 10 USC 7545 to the appropriate Secretary of the Military Department which authorized the donation.
- f. In cases not covered by these instructions, or if it cannot be determined, to HQ DLA, ATTN: DLA-GC and DLSC-LC

C. PUBLIC AGENCIES, NONPROFIT EDUCATIONAL PUBLIC HEALTH ACTIVITIES, SERVICE EDUCATIONAL ACTIVITIES (SEAs)

1. Responsibilities.

a. GSA is responsible for allocating donable property among the SASPs and for monitoring State compliance.

b. SASPs are responsible for determining eligibility of applicants, fairly and equitably distributing donated property to eligible donees within their State, assuring donees comply with donation terms and conditions, and when requested by donees, to arrange for or provide shipment of the property from the Federal holding agency (e.g., DRMOs) directly to recipients.

2. Donated property needed for an emergency or disaster assistance, or no longer required by a SASP/donee, may be reissued to a Federal or state agency provided the SASP/donee is reimbursed for the direct costs incurred in acquiring the property.

3. SASPs are listed in supplement 1, this manual.

4. Service Educational Activities

a. Organizations of special interest to the armed services as authorized by the "Act" are eligible to receive DoD surplus property donations; all donations shall be processed through the SASP. SEA non-National Organizations shall provide the SASP with a letter (original not a copy) on military service letterhead identifying itself as an SEA, and signed by a designated DoD official. The letter must include the authorized equipment list, if any. This letter will be updated at least annually.

The letter shall include the full name, activity, DoDAAC, telephone number, and address of individuals authorized to sign requisitions (SF 123) on behalf of the accountable officer. In general, there are two types of SEA:

(1) National organizations. Organizations which are national in scope and designed to serve the educational, religious, social, welfare and recreational needs of the armed forces; must be recommended (sponsored) by a Military Service and specifically approved by the DUSD(L). Attachment 1, this chapter, lists approved organizations.

(2) Non-national organizations. Units of specially designated schools, whose primary purpose is to offer courses of instruction devoted to the military arts and sciences. The sponsoring Military Service may authorize non-national SEAs (e.g., Junior ROTC) without DUSD approval. Information on military educational schools shall be maintained by the sponsoring Military Service.

b. The following types of organizations are determined to be of special interest to the Military Services.

(1) Military Schools Division--JROTC. The military schools division is composed of units at designated schools specifically authorized one of the following type units:

(2) Class Military Junior College (MJC): Units established at essentially military schools which provide college instruction, but do not confer baccalaureate degrees. These units require students to be in uniform when on campus; organize military students as a Corps of Cadets under constantly maintained military discipline; have as their objectives the development of military students' character by means of military training and regulation of their conduct in accordance with the principles of military discipline; and, in general, meet military standards similar to those maintained at the Service academies. Additionally, these units accept and maintain the specifically designated program of instruction prescribed by the cognizant Service Secretary for this class of institution.

(3) Class Military Institute (MI): Units established at essentially military schools at the secondary level of instruction which meet the military training requirements of Class MJC.

(4) High Schools (Class HS)--Public or private secondary educational institutions which do not fall under the definition for Class MJC and MI schools, but host a JROTC unit or a National Defense Cadet Corps (NDCC) unit.

(5) Naval Honor Schools (NHS) and State Maritime Academies (SMA).

(6) National Organizations

c. Prior to approval, the sponsoring military service shall require all prospective SEAs to submit on organization letterhead a formal request, authenticated by a notary public. The request shall contain, at a minimum, the identification of all officers and board members, including those representing themselves by an organizational military rank. The sponsoring military service shall physically inspect the SEA's facility; evaluate the organization in a thorough manner; and request a

complete background investigation by the Defense Criminal Investigative Service, or other appropriate agency.

d. Authorization for organizations previously designated as having special interest to the armed services by competent authority this chapter, shall continue in effect.

D. PUBLIC AIRPORTS

1. General. The FAA Administrator has the responsibility for selecting property determined to be essential, suitable, or desirable for the development, improvement, operation, or maintenance of a public airport, as defined in the Airport and Airways Development Act of 1970 (49 USC 1711 (12)), or reasonably necessary to fulfill the immediate and foreseeable future needs of the grantee for the development, improvement, operation, or maintenance of a public airport, including property needed to develop sources of revenue from non-aviation businesses at a public airport.

2. Procedures. Public airports shall secure advance approval of donations by obtaining signatures of the applicable FAA Airport Branch Chief and by the GSA Regional Office on the requisition (SF 123).

E. IDENTIFICATION OF SCREENERS

1. Screeners will present a valid driver's license, other state-approved picture identification or a GSA Form 2946 and a letter of authorization (original not a copy) from their parent donee organization. This letter of authorization will be updated at least annually or as changes occur. Screeners, having identified themselves and indicated the purpose of their visit, shall sign the Visitor/Vehicle Register and be allowed to effect donation screening only for the stated purpose.

2. Where necessary, a certified screener may choose a technical assistant to advise on complex screening selections. Such assistants must be advised that only the certified screener may obtain the property. Screener assistants and individuals arriving to remove donations previously approved by GSA (e.g., truck drivers) need not possess the aforementioned identification, however, DRMOs shall assure that donation releases are accomplished in accordance with instructions on the release document (SF 123) and that the receiving individual has been identified and has signed the DRMS' Visitor/Vehicle Register.

F. SCREENING, REQUISITIONING, AND ISSUE PROCEDURES

1. Donation screening is authorized concurrent with reutilization/transfer screening. See Chapter 5, paragraph B1.

2. Tagging and Requisitioning: Procedures shall be identical to those found in Chapter 5, paragraph C3.

3. When a prospective donee contacts a DRMO or military installation regarding possible acquisition of surplus property, the individual or organization shall be advised to contact the applicable SASP for determination of eligibility and procedures to be followed. The DRMOs shall assist interested parties regarding availability of surplus property. Assistance regarding the availability of surplus property may be given by soliciting authorized recipients to visit DRMOs; by maintaining a record of authorized recipients' needs, and screening these needs against available surplus property; by extending maximum practical effort in locating property available to satisfy requests; or by other means as are feasible within the time period allowed. The procedures for return of FEPP to the United States for ultimate donation are covered in Chapter 9, Disposal of FEPP.

4. DRMOs shall release surplus property to authorized donees upon receipt of a properly completed and approved SF 123.

NOTE: The provisions of Chapter 5, paragraph B1b (1) through (2) also apply to donation screening.

5. Direct Removal of Property.

a. When the donee elects to pick up property from the DRMO, the individual must be properly identified. Upon arrival at the DRMO, the individual shall identify themselves, sign the DRMS Visitor/Vehicle Register, and indicate the purpose of their visit. All other donees, having properly identified themselves, may remove property upon DRMOs receipt of a fully executed SF 123.

b. All transportation arrangements and costs are the responsibility of the SASP or designated donee. The DRMO may not act as agent or shipper. Until release, each DRMO is responsible for the care and handling of its property.

c. Only direct costs of care and handling incurred in the actual packing, crating, preparation for shipment, and loading shall be paid by the SASP or designated donee. These costs shall be those actual or carefully estimated costs incurred by DoD activities for labor, material, or services used in accomplishing donation of property.

d. Advance payment for care and handling costs normally shall be required; however, State and local governmental units may be exempted from this requirement and authorized to make payment within 60 days from date of receipt of property. Advance payment may be required in any case where there is a question with respect to prompt payment after billing, especially where there has been previous unsatisfactory experience.

6. Late Requests. Except under extreme circumstances, surplus property which was made available for donation and not requested prior to the end of the Blue Light period is not subject to donation, after such property was reported for sale and a solicitation prepared in final format. Donees requesting property after it has been reported for sale shall be advised to submit their request to the Central Office, GSA, for coordination with DLA and final determination. Once approved, DLA shall advise DRMS that an approved SF 123 shall be provided through normal channels.

G. SPECIAL DONATIONS (GIFTS), LOANS AND EXCHANGES

1. Under 10 USC 2572, the Secretary of a Military Department or the Secretary of the Treasury is permitted to donate, lend, or exchange, as applicable, and department regulations, for historical, ceremonial, or display purposes, without expense to the United States, books, manuscripts, works of art, historical artifacts, drawings, plans, models and condemned or obsolete combat materiel that are not needed by the armed services.

a. The following types of organizations are authorized to receive loans and donations:

- (1) A municipal corporation
- (2) A soldiers' monument association
- (3) A museum, historical society, or historical institution of a state or foreign nation
- (4) An incorporated museum that is operated and maintained for educational purposes only and the charter of which denies it the right to operate for profit
- (5) A post of the Veterans of Foreign Wars of the United States or of the American Legion or a unit of any other recognized war veterans' association
- (6) A local or national unit of any war veterans' association of a foreign nation which is recognized by the national government of that nation (or by the government of one of the principal political subdivisions of that nation.)
- (7) A post of the Sons of Veteran's Reserve

b. When it directly benefits the historical collection of the armed forces, the military departments may exchange assets for similar items; conservation supplies, equipment, facilities, or systems; search, salvage, or transportation services; restoration, conservation or preservation services; or educational programs.

c. The Secretary concerned may not make an exchange unless the monetary value of the property transferred, or services provided, to the United States under the exchange is not less than the value of the property transferred by the United States. The Secretary concerned may waive the limitation in the preceding sentence in the case of an exchange of property for property in any case in which the Secretary determines that the item to be received by the United States in the exchanges will significantly enhance the historical collection of the property administered by the Secretary.

d. DoD shall not incur costs in connection with loans, or gifts. However, the Secretary concerned may, without cost to the recipient, DEMIL, prepare, and transport in the continental United States for donation to a recognized war veteran's association an item authorized to be donated under the statute if the Secretary determines the demilitarization, preparation, and transportation can be accomplished as a training mission, without additional budgetary requirements for the unit involved.

e. Responsibilities.

(1) The Secretaries of the Military Departments are responsible for determining the eligibility of organizations for gifts and loans. The military services may establish eligibility requirements dependent upon the unique nature of the specific historical item, however, the following requirements are minimum:

(a) Veterans organizations must be sponsored by a military service; each veterans' organization shall be evaluated based on its size, purpose, the type and scope of services it renders to veterans, and the requirement that the organization be composed of honorably discharged American soldiers, sailors, airmen, Marines, or Coast Guardsmen.

(2) Museums must

(a) meet state (or equivalent foreign national) criteria for not-for-profit museums.

(b) have an existing facility suitable for the display and protection of the type of property desired for loan or donation. If the requester has a facility under construction which will meet those requirements, interim eligibility may be granted.

(c) have a professional staff which can care for and accept responsibility for the loaned or donated property.

(d) have assets which, in the determination of the loaning or donating service, indicate the capability of the loanee/borrower to provide the required care and security of historical property.

(e) limit donations, loans or exchanges to property stipulated by the law. Except for relevant records for aircraft and associated engines and equipment, (except for those authorized under 10 USC 2572) records of the Government may not be released.

(f) approve the loan, donation or exchange; process requests for variations from the original agreement; and maintain official records of all donation, loan and exchange agreements. The approval of exchanges may be delegated at the discretion of the Secretary, and is encouraged for low-dollar transactions.

(g) Establish controls for determining compliance by the recipient organization, with the display, security, and usage criteria provided for in the loan, donation agreements:

(1) The Curator of a Military Service shall maintain official records of all DoD material loaned and;

(2) verify yearly that property is being used for approved purposes; is being maintained and protected in accordance with the agreement; and that the recipient organization still desires to retain the property. The military services may accomplish this annual check by any appropriate and economically feasible method that provides reasonable assurance that the recipient organization is fulfilling its responsibilities. Services may request assistance from qualified DoD organizations.

(h) provide disposition instructions to the recipient organization when loaned or donated property is no longer needed or authorized for continued use.

(i) establish conditions for making donations, loans or exchanges. The following minimum requirements provide uniformity in concepts and documentation:

(1) Each military department will establish a process (e.g., a council or other means suitable to the department) to review and approve proposed exchanges incorporating legal and financial review independent of the museum involved. Personnel directly involved in museum operations shall not act as sole approving authority for any exchange transactions.

(2) Ensure correspondence regarding loans, donations or exchanges is signed by individuals authorized to obligate their organization.

(3) Ensure appropriate DEMIL of the property as prescribed in DoD 4160.21-M-1 before release. In the case of aircraft, if standard DEMIL criteria cannot be applied without destroying the display value, specific DEMIL actions (such as aircraft structural cuts) may be delayed. The recipient organization must agree to assume responsibility for the property DEMIL action, at no cost to the Government, when the item is no longer desired or authorized for display purposes.

(4) Loan, donate or exchange property on an "as is, where is" basis; ensure that the recipient organization is aware of and agreeable to paying all costs incident to preparation, handling, and movement of the property. Military Service contact points for the Loan, Donation or Exchange of Property are at attachment 5. Property may not be repaired, modified or changed at Government expense over and above normal preparation for handling and movement, even if reimbursement is offered for services rendered. Property may not be moved at Government expense to a recipient's location or to another location closer to the recipient to prevent or lessen the recipient organization's processing or transportation costs. No charge shall be made for the property itself but all actions relating to physical processing of the property for the loan or donation shall either be accomplished by or arranged for by the recipient organization. The recipient organization shall pay all applicable charges before release of the property.

(5) Record assets on property accounting records before they are loaned, donated, or exchanged.

(6) Coordinate with the Department of State before a donation, loan or exchange is formalized with a foreign museum .

(7) Ensure an official authorized to obligate the organization signs a Certificate of Assurance with Title VI of the Civil Rights Act of 1964.

(8) Ensure proper documentation is finalized in accordance with the Defense DEMIL and TSC Manual, DoD 4160.21-M-1 before the release of any property to an authorized recipient.

a. Property loans shall be accomplished by use of the Standard Loan Agreement in the format prescribed (Attachment 2) or a similar document providing the same data.

b. Property donations made under this authority shall be accomplished by use of the Deed of Gift agreement in the format prescribed (Attachment 5) or a similar document providing the same data.

c. Property exchanges made under this authority shall be accomplished by use of the Exchange Agreement in the format prescribed (Attachment 6) or a similar document providing the same data. Items may not be exchanged until a determination is made that the item is not needed for operational requirements by another military service. If the council or similar staff review process considers it unlikely the item in question will be needed by another military service, screening may be omitted. A museum of one military service may not acquire for the purpose of exchanging historical items being screened by another military service museum.

(9) Military departments should avoid stockpiling condemned or obsolete combat materiel in anticipation of future exchanges. Excess items that cannot be exchanged within a 2-year period should be processed for disposal.

(10) The military department shall notify exchange recipients that DoD cannot certify aircraft, components, or parts as airworthy. Aircraft, components, or parts must be certified by the FAA as airworthy before being returned to flight usage. If -available, log books and maintenance records for Flight Safety Critical Aircraft Parts (FSCAP) must accompany the aircraft and FSCAP. If such documentation is not available, or if the aircraft or FSCAP have been crash-damaged or similarly compromised, the aircraft, components, or parts may not be exchanged, unless the FSCAP parts have been removed from the aircraft or component prior to the exchange. Waivers to this FSCAP documentation requirement may be considered on a case-by-case basis and are restricted to the following types of exchanges: (1) "display only" property (not parts) and (2) vintage aircraft; waivers shall apply only to the exchange of the whole aircraft, aircraft engines and aircraft components. The exchange agreement must explicitly cite the lack of documentation.

(j) Careful consideration will be given to the adverse market impact that may result from the exchange of certain items. The military department should consult with outside organizations for market impact advice, as appropriate.

(k) The Military Services may elect to donate property without conditions, for example, when the administrative costs to the Military Service to perform yearly checks would exceed the value of the property. Unconditional donations are restricted to books, manuscripts, works of art, drawings, plans and models, and historical artifacts valued at less than \$10,000 that do not require DEMIL. A sample Unconditional Deed of Gift can be found at Attachment 7.

2. Under 10 USC 4683, the Department of the Army may loan to recognized veterans' organizations obsolete or condemned rifles or cartridge belts to local units of national veterans' organizations recognized by the U.S. Department of veteran's Affairs, for use by that unit for ceremonial purposes. Rifle loans to any one post, local unit or municipality are limited by statute to not more than 10 rifles.

3. Under 10 USC 7545, the Secretary of the Navy may donate or loan captured, condemned, or obsolete ordnance material, books, manuscripts, works of art, drawings, plans, models, trophies and flags, and other condemned or obsolete material, as well as material of historical interest, to any State, Territory, Commonwealth, or possession of the United States and political subdivision or municipal corporation thereof, the District of Columbia, libraries, historical societies, educational institutions whose graduates or students were in World War I or World War II, as well as those organizations listed in subparagraphs G1a(1) through G1a(7).

a. Loans and donations made under this authority shall be subject to the same guidelines for donations under 10 USC 2572.

b. If materiel to be loaned or donated is of historic interest, the application shall be forwarded through the Navy Curator.

c. Donations made under this authority must first be referred to the Congress.

d. Donations and loans made under 10 USC 7545 shall be accomplished by the use of a Conditional Deed of Gift.

4. Under 10 USC 2547, the Secretary of a military department may provide bedding in support of homeless shelters that are operated by entities other than the DoD. Bedding may be provided to the extent that the Secretary determines the donation will not interfere with military requirements.

5. Under 10 USC 7308, the Secretary of the Navy, with approval of Congress, may donate obsolete, condemned, or captured Navy ships, boats, and small landing craft to the States, Territories, or possessions of the United States, and political subdivisions or municipal corporations thereof, the District of Columbia, or to associations or corporations whose charter or articles of agreement denies them the right to operate for profit. The Navy restricts the use of donated vessels for static display purposes only (that is, as memorials or museums).

a. Applications for ships, boats, and small landing craft shall be submitted to the Commander, Naval Sea Systems Command (NSEA 00DG), 2531 Jefferson Davis Highway, Arlington, VA 22240-5160. Before submission of an application, the applicant must locate a vessel which is in a donable status and available for transfer.

b. Each application shall contain the following information:

(1) Type of vessel desired, or in the case of combatant vessels, the official Navy identification of the vessel desired.

(2) Statement of the proposed use to be made of the vessel and where it will be located.

(3) Statement describing and confirming availability of an applicable berthing site and the facilities and personnel available for use in maintenance of the vessel.

(4) Statement that the applicant agrees to maintain the vessel, at its own expense, in a condition satisfactory to the Department of the Navy, in accordance with instructions which the Department may issue, and that no expense shall result to the United States as a consequence of such terms and conditions prescribed by the Department of the Navy.

(5) Statement that the applicant agrees to take delivery of the vessel "as is, where is" at its berthing site and to pay all charges incident to such delivery, including without limitation preparation of the vessel for removal or tow, towing, insurance, and berthing or other installation at the applicant's site.

(6) Statement of financial resources currently available to the applicant to pay the costs required to be assumed by a donee. The statement should include a summary of sources, annual income and annual expenditures exclusive of estimated costs that would be attributable to the requested vessel so as to permit

an evaluation of funds that will be available for upkeep of the vessel. In the event the applicant will rely on commitments of donated services and materials for maintenance and use of the vessel, such commitments must be described in detail.

(7) Statement that the applicant agrees that it shall return the vessel, if and when requested to do so by the Department of the Navy, during a national emergency, and shall not, without the written consent of the Department, use the vessel other than as stated in the application or destroy, transfer, or otherwise dispose of the vessel.

(8) If the applicant asserts that it is a corporation or association whose charter or articles of agreement denies it the right to operate for profit, a properly authenticated copy of the charter, certificate of incorporation, or articles of agreement made either by the Secretary of State or other appropriate officials of the State under the laws of which the applicant is incorporated or organized or other appropriate public official having custody of such charter, certificate or articles; and a copy of the organization's bylaws. If the applicant is not incorporated, the citation of the law and a certified copy of the association's charter under which it is empowered to hold property and to be bound by the acts of the proposed signatories to the donation agreement.

(9) If the applicant is not a State, Territory, or possession of the United States, a political subdivision or municipal corporation thereof, or the District of Columbia, a copy of a determination by the Internal Revenue Service that the applicant is exempt from tax under the Internal Revenue Code.

(10) A notarized copy of the resolution or other action of its governing board or membership authorizing the person signing the application to represent the organization and to sign on its behalf for the purpose of acquiring a vessel.

(11) A signed copy of the "Assurance of Compliance."

(12) A statement that the vessel shall be used as a static display only for use as a memorial or museum and no system aboard the vessel shall be activated or permitted to be activated for the purpose of navigation or movement under its own power.

(13) A statement that the galley may not be activated for the purpose of serving meals.

c. Upon receipt, the Navy shall determine the eligibility of the applicant to receive a vessel by donation. If eligible, the formal application shall be processed and notice of intention to donate presented to the Congress as required by 10 USC 7308, provided the applicant has presented evidence satisfactory to the Government that the applicant has adequate financial means to assure its ability to accomplish all of the obligations required to be assumed under a donation contract. The Navy shall have authority to donate only after the application has been before the Congress for a period of 60 days of continuous session without adverse action by the Congress.

d. All vessels, boats, and service craft, donated under 10 USC 7308 shall be used as static displays only for use as memorials and cannot be activated for the purpose of navigation or movement under its own power. Donations of vessels under any other authority of this chapter are subject to certain inspection and certification requirements. Applicants for vessels or service craft shall be advised, in writing by the office taking action on the applications, that should their request be approved, and before operation of the vessel or service craft, one of the following stipulations shall apply:

(1) "The donee agrees that if the vessel is 65 feet in length or less, it may not be operated without a valid Certificate of Inspection issued by the Coast Guard, while carrying more than six passengers, as defined in 46 USC 390a."

(2) "The donee agrees that if the vessel is more than 65 feet in length, it may not be operated without a valid Certificate of Inspection issued by the Coast Guard."

6. Under 10 USC 7546 and subject to the approval of the Navy Curator, the nameplate or any small article of a negligible or sentimental value from a ship may be loaned or donated to any individual who sponsored that ship provided that such loan or donation shall be at no expense to the Navy.

7. Under 10 USC 1063, the Secretary of a military department may donate excess personal property to religious organizations (as described in section 501 c(3) of the Internal Revenue Service Code of 1986), for the purposes of assisting such organizations in restoring or replacing property of the organization that has been damage or destroyed as a result of arson or terrorism. The property authorized for donation shall be limited to ecclesiastical equipment, furnishings and supplies (FSC 9925 and furniture).

H. DISPOSITION. Material no longer desired or authorized for continued use by a recipient organization shall be disposed of as follows:

1. The Military Service shall advise the recipient organization if it wants to repossess the property. Regardless of the determination made, care shall be taken to ensure the recipient organization fulfills its responsibility to finalize the disposition action at no cost to the Government. Repossession of the property shall be governed by the property's historical significance, its potential for use in behalf of other requests, or its estimated sale value, if sold by DoD. Repossession of property shall be documented; copies of the documentation shall be retained by the donor/lender.

2. Based upon type of property, its location, etc., it is not always feasible to require the physical movement of the property to the nearest DRMO. In these cases, the owning Military Service may elect to work with DRMS for receipt and sale in-place when economically feasible.

3. Return of Property Donated by the Navy: Subject to the approval of the Curator for the Department of the Navy, any article, material, or equipment, excluding silver service, loaned or donated to the naval service by any person, State, group, or organization may be returned to the lender or donor (Authority: 10 USC 7546). When the owner cannot be located after a reasonable search or if, after being offered the property, the owner states in writing that the return of the property is not desired, the property shall be disposed of in the same manner as other surplus property.

I. DISASTER ASSISTANCE FOR STATES

1. General. The Disaster Relief Act of 1974 (P.L. 93-288), authorizes Federal assistance to States, local governments, and relief organizations. Upon declaration by the President of an emergency or a major disaster, the Act is usually invoked upon notification to Federal agencies and States by the Federal Emergency Management Agency (FEMA).

2. Surplus personal property may be donated to States for use or distribution for emergency or major disaster assistance purposes. Such uses may include among other things the restoration of public facilities which have been damaged as well as the essential rehabilitation of individuals in need of major disaster assistance. All donations of surplus personal property for major disaster assistance must be approved by GSA. Federal assistance under the Disaster Relief Act of 1974 is terminated upon notice to the Governor of the State by the Associate Director, or at the expiration of time periods prescribed in FEMA regulations, whichever occurs first.

3. Under 10 USC 1063, the Secretary of a military department may donate excess personal property to religious organizations (as described in section 501 c(3) of the Internal Revenue Service Code of 1986), for the purposes of assisting such organizations in restoring or replacing property of the organization that has been damage or destroyed as a result of arson or terrorism. The property authorized for donation shall be limited to ecclesiastical equipment, furnishings and supplies (FSC 9925 and furniture).

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Reference Paragraph C4a(1)

SEA NATIONAL OFFICES

American National Red Cross
17th and D Streets NW
Washington, DC 20006

Armed Services YMCA of the USA
6225 Brandon Avenue, Suite 215
Springfield, VA 22150-2510

Big Brothers/Big Sisters of America
230 North 13th Street
Philadelphia, PA 19107

Boys and Girls Clubs of America
771 First Avenue
New York, NY 10017

Boy Scouts of America
1325 Walnut Hill Lane
Irving, TX 75038-3096

Camp Fire, Inc.
4601 Madison Avenue
Kansas City, MO 64112-1278

The Center for Excellence In Education
7710 Old Springhouse Road
McLean, VA 22102

Girl Scouts of the United States of America
420 5th Avenue
New York, NY 10018-2702

Little League Baseball, Inc.
Williamsport, PA 17701

National Association for Equal Opportunity
In Higher Education
2243 Wisconsin Avenue NW
Washington, DC 20007

National Ski Patrol System, Inc.
133 South Van Gordon Street, Suite 100
Lakewood, CO 80228

U.S. Naval Sea Cadet Corps

2300 Wilson Boulevard
Arlington, VA 22201

United Service Organizations, Inc.
601 Indiana Avenue
Washington, DC 20004

United States Olympic Committee
1 Olympic Plaza
Colorado Springs, CO 80909-5760

National Director
Young Marines of the Marine Corps
P.O. Box 70735, Southwest Station
Washington, DC 20024-0735

President--Board of Directors Marine Cadets of America
USN & MC Reserve Center
Fort Nathan Hale Park
New Haven, CT 06512-3694

Corporation for the Promotion of Rifle Practice and Firearms Safety
Erie Industrial park, Bldg 650
P.O. Box 576
Port Clinton, OH 43452

Marine Corps League
P.O. Box 3070
Merrifield, VA 22116

Reference Paragraph G1(i)(8)a

SAMPLE STANDARD LOAN AGREEMENT

By this agreement, made as of _____ between the United States of America,
(date)
hereinafter called "the Government, "represented by _____, hereinafter
(name/title of Service representative)
called "the Lender," and _____, hereinafter called "the Borrower,"
(name of Municipality, non profit organization, etc.)
incorporated and operating under the laws of the State of _____ and located at
_____; and,

Pursuant to Public law 80-421 (10 USC 2572), the Government hereby loans
to _____ the following property: _____ for the period
commencing _____ and ending _____ with an option for annual renewal.

The Borrower has applied in writing by letter dated _____ for the loan of the above
property, and hereby agrees to accept it on an "as is where is" basis, to be responsible for all
arrangements and to assume and pay all costs, charges and expenses incident to the loan of this
property, including the cost of preparation for transportation from _____ to
_____, of disassembly, packing, crating, handling, transportation, and other actions
(location of property) (destination)

incidental to the movement of the loaned property to the Borrower's location; and,

The Borrower shall obtain no interest in the loaned property by reason of this agreement and title
shall remain in the lender at all times; and,

The Borrower agrees to use the loaned property in a careful and prudent manner, not, without
prior permission of the lender, to modify it in any way which would alter the original form,
design, or the historical significance of said property, to perform routine maintenance so as not
reflect discredit on the Lender, and to display and protect it in accordance with the instructions set
forth in Attachment____, incorporated herewith and made part of the Loan Agreement; and,

The Borrower agrees to accept physical custody of the property within _____, after
(period of time) execution of this agreement, to receipt to the Lender for said property on
assuming custody of it to place it on exhibit within _____, and to report
(period of time)
annually to the Lender on the condition and location of the property.

The Borrower agrees not to use the loaned property as security for any loan, not to sell, lease,
rent, lend, or exchange the property for monetary gain or otherwise under any circumstances
without the prior written approval of the Lender; and

The Borrower agrees to indemnify, save harmless, and defend the Lender from and against all
claims, demands, action, liabilities, judgements, costs, and attorney's fees, arising out of claimed

on account of, or in any manner predicated upon personal injury, death, or property damage caused by or resulting from possession and/or use of the loaned property; and,

The Borrower agrees to allow the authorized Department of Defense representatives access to the Borrower's records and facilities to assure accuracy of information provided by the Borrower and compliance with the terms of this Loan Agreement; and

The Borrower agrees to return said property to the Lender on termination of this Loan Agreement or earlier, if it is determined that the property is no required, at no expense to the Lender.

The failure of the Borrower to observe to observe any of the conditions set forth in the Loan Agreement and the Attachment(s) thereto shall be sufficient cause of the Lender to repossess the loaned property. Repossession of all or any part of the loaned property by the Lender shall be made at no cost or expense to the Government; the Borrower shall defray all maintenance, freight, storage, crating, handling, transportation, and other charges attributable to such repossession.

Executed on behalf of the Lender this _____ day of _____, 19_____, at _____.

United States of America by: _____ Title: _____
Agency: _____ Address: _____

The Borrower, through its authorized representative hereby accepts delivery of the loaned property subject to the terms and conditions contained in the Loan Agreement set forth above.

Executed on behalf of the Borrower, this _____ day of _____, 19_____, at _____.

(Name of Borrower Organization)

By: _____
Title: _____
Address: _____

Reference Paragraph G1(i)(8)b

SAMPLE CONDITIONAL DEED OF GIFT

THIS AGREEMENT made as of _____ between the UNITED STATES OF AMERICA (Hereinafter called the "Government" or the donor") represented by _____ (hereinafter called "the donee" operating under the laws of the State of _____ located at _____.

WITNESSETH:

The Secretary is authorized by 10 USC 2572 to transfer by gift or loan, without expense to the United States and on terms prescribed by the Secretary, any obsolete combat property not needed by the Department. Donee is eligible under the terms of 10 USC 2572.

The donee has applied in writing by letter dated _____ for a _____ and has agreed to assume and pay all costs, charges, and expenses incident to the donation including the cost of any required DEMIL and of preparation for transportation to _____.

The Government agrees (a) to release _____ (b) to notify the donee of the available date sufficiently in advance thereof to enable the donee to make necessary arrangements for acceptance.

The donee agrees to accept it on an "as is where is" basis and be responsible for all arrangements and costs involved in its movement. The donee shall, at no cost to the donor, arrange and pay for disassembly, packing, crating, handling, transportation, and other actions as necessary for the movement of the donated property to the donee's location.

The donee shall use the donated property in a careful and prudent manner, and shall maintain it and make such repairs to it as are necessary to keep it in a clean and safe condition so that its appearance and use will not discredit the donor. Display instructions are set forth in Attachment _____ and are incorporated and made part of this Conditional Deed of Gift. The donee also agrees to not use the donated property as security for any loan, nor sell, lease, rent, exchange the property for monetary gain or otherwise, under any circumstances without the prior approval of the donor.

The donee shall indemnify, save harmless, and defend the donor from and against all claims, demands, action, liabilities, judgements, costs, and attorney's fees, arising out of claimed on account of, or in any manner predicated upon personal injury, death, or property damage caused by or resulting from possession and/or use of the donated property.

The donee agrees to allow the authorized representatives of the Government access to the donee's records and facilities to assure accuracy of information provided the donor and compliance with the terms of this Conditional Deed of Gift.

Title is transferred on special condition that the _____ will not be transferred or otherwise disposed of (including re-donation) without the written consent of the donor. If disposition by any method (including re-donation) without consent of the donor is attempted, title to the property is subject to forfeiture and the Government may require return of the property by the donee or may repossess the property from whomever may have possession thereof and the donee shall bear all expense of return and repossession as well as all storage costs.

Upon the failure of the donee to observe any of the conditions set forth in the Conditional Deed of Gift and Attachment thereto, title to the donated property shall revert to and vest in the donor. Repossession of all or any part of the donated property by the donor shall be at no cost or expense to the donor, and the donee shall pay all maintenance freight, transportation, and other charges attributable to such possession.

When the _____ is no longer needed by the donee, disposition instructions will be requested from the donor. All costs of disposition will be borne by the donee.

Subject to the conditions set forth above, title to the property shall vest in the donee upon receipt of written acceptance hereof the above.

Executed on behalf of the Lender this _____ day of _____, 19_____, at _____.

United States of America

by: _____
Title: _____
Agency: _____
Address: _____

The donee, through its authorized representative hereby accepts title to and delivery of the donated property subject to the conditions in the Deed of Gift set forth above.

Executed on behalf of the donee, this _____ day of _____, 19_____, at _____.

(Name of donee Organization)

By: _____
Title: _____
Address: _____

Reference Paragraph G1(i)(7)

SAMPLE ASSURANCE OF COMPLIANCE

_____ hereinafter called "Applicant-Recipient"
(name of applicant)

HEREBY AGREES THAT in compliance with Title VI of the Civil Rights Act of 1964, Section 606 of the Federal Property and Administrative Services Act of 1949, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended, no person shall, on the ground of race, color, national origin, sex, or handicap, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant-recipient receives a donation from the _____ and

(applicable Military Service)

HEREBY

GIVES ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

This agreement shall continue in effect during the time the Applicant-Recipient retains ownership, possession, or control of the donated property. Further, the Applicant-Recipient agrees and assures that its successors and/or assigns shall be required to give an assurance similar to this assurance as a condition precedent to acquiring any right, title, or interest in and to any of the property donated herein.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining donation of Federally owned property pursuant to _____ consisting of the following items:
(cite applicable statute)

(use additional sheet if space is not adequate)
(quantity and description of donated property)

The Applicant -Recipient recognizes and agrees that such Federal donation shall be made in reliance on the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance.

THIS ASSURANCE is binding on the Applicant-Recipient, its successors, transferees, and assignees, and the person or persons whose signature appear below are authorized to sign this assurance on behalf of the Applicant-Recipient.

By: _____
(President, Chairman of the Board, or comparable authorized official)

Address: _____

Reference paragraph G1(i)(4)

MILITARY SERVICE CONTACT POINTS FOR LOAN, DONATION OR EXCHANGE OF PROPERTY

A. ARMY:

1. Army aircraft:

Commander

U.S. Army Aviation and Troop Support Command

4300 Goodfellow Blvd.

ATTN: AMSAV-Z

St. Louis, MO 63120-1798

2. Army field artillery pieces, rifles, blank ammunition, mortars and similar equipment:

Director of Armament and Chemical Acquisition

and Logistics Activity

ATTN: AMSTA-AC-ASI

Rock Island, IL 61299-7630

3. Army tanks and other combat vehicles

Commander

U.S. Army Tank Automotive and Armament Command

ATTN: AMSTA-FRM

Warren, MI 48397-5000

4. Army equipment not specifically listed:

Center of Military History

ATTN: DAMH-MDP

1099 14th Street NW

Washington, DC 20005-3402

B. NAVY:

1. Navy and Marine Corps aircraft, air launched missiles, aircraft engines, and aviation related property:

Commanding Officer

Navy Aviation Supply Office

ATTN: Code-03432-06

700 Robbins Ave.

Philadelphia, PA 19111-5098

2. Obsolete or condemned Navy vessels for donation as memorials; Navy major caliber guns and ordinance; and shipboard material:

Commander

ATTN: NAVSEA-OOD, NC#3

Naval Sea Systems Command

2531 Jefferson Davis Hgwy.

Arlington, VA 22242-5160

C. AIR FORCE:

1. Air Force aircraft and missiles (to recipients other than a museum):

AMARC/LG-2
4950 S. Safford St.
Davis Monthan AFB AZ 85707-4366

2. Air Force aircraft, missiles or any other items authorized for donation for display purposes to a museum recipient:

USAFM/MU
1100 Spaatz St.
Wright- Patterson AFB, OH 45433-7102

NOTE: The USAF Museum operates a loan program only. Donations are not offered.

3. Any other Air Force item authorized for donation for display purposes (to recipients other than a museum):

HQ AFMC/LGID
4375 Chidlaw Rd., Suite 6
Wright-Patterson AFB, OH 45433-5006

D. MARINE CORPS:

1. Marine Corps assault amphibian vehicles (to recipients other than a museum):

Commandant of the Marine Corps
ATTN: LPP-2
HQ U.S. Marine Corps
2 Navy Annex
Washington, DC 20380-1775

2. Marine Corps historical property (all other inquiries):

History and Museum Division (HD)
Marine Corps Historical Center
Washington Navy Yard Building 58
901 M St., SE

ATT 6
CHAP 6
DOD 4160.21-M

Reference Paragraph G1(i)(8)c

SAMPLE EXCHANGE AGREEMENT

It is mutually agreed by and between the(SERVICE NAME)Museum, (ADDRESS (hereinafter "Museum")) and (NAME) Museum, ADDRESS (hereinafter "Exchanger"), as follows:

ITEMS TO BE EXCHANGED BY THE MUSEUM: The Museum will provide to the Exchanger the following items:

(DESCRIPTION, STOCK NUMBER, SERIAL NUMBER, ETC.)

ITEMS TO BE EXCHANGED:

(DESCRIPTION, STOCK NUMBER, SERIAL NUMBER, ETC.)

AUTHORITY: This exchange is made under the authority of 10 USC 2572.

DELIVERY:

The items to be received by or services provided to the Museum from the Exchanger will be delivered or provided, as the case may be, at the Exchanger's sole expense to (LOCATION). They will be delivered or provided in one shipment all at the same time unless the Museum agrees otherwise in writing. They will be delivered or provided within ninety (90) days of the date this agreement is signed. Title to the items to be received by the Museum will pass to the Museum at the time and point of delivery only upon written acceptance by an authorized representative of the Museum.

The items to be exchanged by the Museum to the Exchanger are currently located at (LOCATION ADDRESS). They are provided on an "as is, where is, with all faults" basis and there are no warranties expressed or implied. The Museum specifically provides no warranty or other assurance as to the condition on serviceability of the property. All items offered in exchange by the Museum are subject to a radiation survey and the removal of radioactive components as well as equipment DEMIL prior to release. They will not be released to the Exchanger until acceptance by the Museum in accordance with the above paragraph.

CONDITION OF ITEMS PROVIDED BY THE MUSEUM: The items to be exchanged by the Museum are offered to the Exchanger as is, where is, with all faults. The Museum provides no warranty or other assurance as to the condition or serviceability of the property.

CONDITION OF ITEMS PROVIDED BY EXCHANGE: The items to be exchanged are certified to be original and authentic by the exchanger, to be in good condition with no significant damage or deterioration, or other hidden faults which would jeopardize their long term preservation or their use by the Museum for display or study.

CONSUMMATION OF AGREEMENT: This agreement will be considered consummated upon delivery and acceptance by both parties of all items to be provided.

RELEASE OF LIABILITY: In consideration of this mutual exchange, the Exchanger agrees that it will hold the United States, its agencies, officers, employees, agents, and contractors harmless, indemnify, and defend them against any and all suits, actions, and claims of any kind whatsoever, including attorney fees, which may arise from or be the result of this exchange or the items.

WARRANTY OF TITLE: In the case of the items provided by the Exchanger, the Exchanger hereby warrants that it has title to the items and that there are no liens or encumbrances whatever against the said items. The Exchanger will provided to the Museum documentary proof of ownership in a manner and of a fashion satisfactory to the Director of the Museum prior to delivery.

NOTICES: All notices between the parties shall be in writing and sent to the following addresses:

For the Museum: (MUSEUM NAME) (ADDRESS)

For the Exchanger: (MUSEUM NAME) (ADDRESS)

- The Exchanger shall neither assign nor otherwise transfer this Agreement without the written prior agreement of the Director of the Museum.

IN WITNESS WHEREOF, the parties or their authorized representatives have hereunto signed their names on the date indicated.

FOR THE U.S.(SERVICE MUSEUM NAME)

SIGNATURE, TYPED

NAME AND TITLE

DATE

WITNESSED BY

NAME

NAME

DATE

DATE

FOR THE EXCHANGER:

(SIGNATURE, TYPED NAME AND TITLE)

WITNESSED BY

UNCONDITIONAL DEED OF GIFT

THIS AGREEMENT is made between the United States of America (Hereinafter called the "Government" or the donor") and the _____ (hereinafter called "the donee") operating under the laws of the State of _____ located at _____.

1. The Secretary is authorized by 10 USC. 2573 to transfer by gift or loan, not to exceed \$10,000 (see 4a(2)), without expense to the United States and on terms prescribed by the Secretary, any documents and historical artifacts, excluding any condemned and obsolete combat material. (Condemned or obsolete combat material will fall under Attachment 4, Conditional Deed of Gift) not needed by the Department. The donee is eligible under the terms of 10 USC. 2572.
2. The donee has applied in writing by letter dated _____ and has agreed to assume and pay all costs, charges, and expenses incident to the donation including the cost of any required demilitarization and of preparation for transportation.
3. The Government agrees (a) to release _____, and (b) to notify the donee of the available date sufficiently in advance thereof to enable the donee to make necessary arrangements for acceptance.
4. By this deed of gift the donor transfers title, conveys and assigns free and clear of all encumbrances, to the donee.
5. The donee agrees to accept it on an "as is where is" basis and be responsible for all arrangements and costs involved in its removal. The donee shall, at no cost to the donor, arrange and pay for disassembly, packing, crating, handling, transportation, and other actions as necessary for the removal of the donated property to the donee's location.
6. The donor certifies that the donation is unsafe for operational use and is only suitable for static display. Any use of the donated property is fully and completely the responsibility of the donee.
7. The donee shall indemnify, save harmless, and defend the donor from and against all claims, demands, action, liabilities, judgements, costs, and attorney's fees, arising out of claimed on account of, or in any manner predicated upon personal injury, death, or property damage caused by or resulting from possession and/or use of the donated property.
8. Subject to the conditions set forth above, title to the property shall vest in the donee upon receipt of written acceptance hereof from the donee.

Executed on behalf of the donor, this _____ day of _____, 19____, at _____.

United States of America by: _____ Title: _____ Agency: _____
Address: _____

The donee, through its authorized representative hereby accepts title to and delivery of the donated property subject to the conditions in the Deed of Gift set forth above.

Executed on behalf of the donee, this _____ day of _____, 19____, at _____.

(Name of donee organization)

By: _____

Title: _____

Address: _____